Canadian International Development Agency

2012–2013

Report on Plans and Priorities

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Minister of International Cooperation

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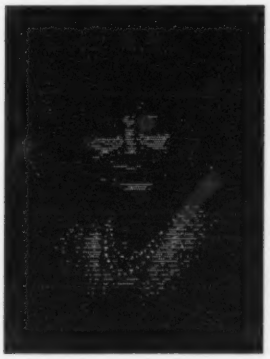
Minister's Message



CIDA's Report on Plans and Priorities reflects its commitment to making a meaningful difference for people living in poverty in developing countries, and to being accountable to Canadians.

Canada's leadership in addressing food insecurity, supporting the health of mothers and children, and helping countries generate sustainable economic growth and offer sustainable livelihoods for all their people is recognized world-wide. Our ongoing commitment to these areas will drive our engagement in the year ahead following the paths outlined under each priority sector.

Building on a year of progress on Canada's Muskoka Initiative for Maternal, Newborn and Child Health, CIDA will continue to focus on saving the lives of mothers and children by delivering a comprehensive package of health services at the community level to reduce the disease burden, strengthen health systems, and improve nutrition. This includes improving accountability for women's and child's health—our collective ability to track and report real results in order to learn valuable lessons and inform future decisions. In support of the Scaling Up Nutrition movement, we will also accelerate efforts to combat global undernutrition, which accounts for 2.6 million preventable child deaths every year.

CIDA remains committed to helping developing countries achieve prosperity by growing their economies and building new opportunities for their citizens through its Sustainable Economic Growth Strategy focusing on: building economic foundations, growing businesses, and investing in people through vocational training. CIDA will lead the establishment of the Canadian International Institute for Extractive Industries and Development announced by the Prime Minister in October 2011. The institute will act as a focal point for Canadian expertise in the extractive sector and resource governance in order to help developing nations harness their natural resources to generate sustainable economic growth, thereby reducing long-term poverty.

The Agency will also continue to assist those affected by natural disasters or humanitarian crises, as demonstrated by our response to the droughts in East Africa and the Sahel, and the humanitarian crises in Libya and Syria. In Haiti, CIDA has delivered on its past earthquake relief and reconstruction efforts. I am pleased to report that CIDA will be revising its 5-year programming strategy to shift from meeting immediate needs to adopting a long-term development approach.

Canada's commitment to increased transparency and reporting was advanced with CIDA's Open Data Initiative and decision to join the International Aid Transparency Initiative (IATI). By making information about Canada's assistance easier to access, use and understand, we are fulfilling our commitment to put transparency and accountability at the forefront of aid delivery. This undertaking will be a priority for CIDA in 2012–2013.

Through 2012–2013, CIDA will strengthen its focus on results, accountability and maximizing the value of Canada's aid and development resources in alignment with the government's policies and priorities. We will further our work on partnerships with the private sector and new innovative approaches. Our investments will be consistent with the priorities of the Government and reflective of the needs of the world's poorest people.

These efforts, along with other initiatives, are reflected in the Agency's 2012–2013 Report on Plans and Priorities, which I am pleased to table for Parliament's consideration.

Section I: Organizational Overview

Raison d'être

The mandate of the Canadian International Development Agency (CIDA) is to manage Canada's aid program effectively and accountably to achieve meaningful, sustainable development results, and to engage in policy development in Canada and internationally, enabling Canada to realize its development objectives.

CIDA's mission is to lead Canada's international effort to help people living in poverty.

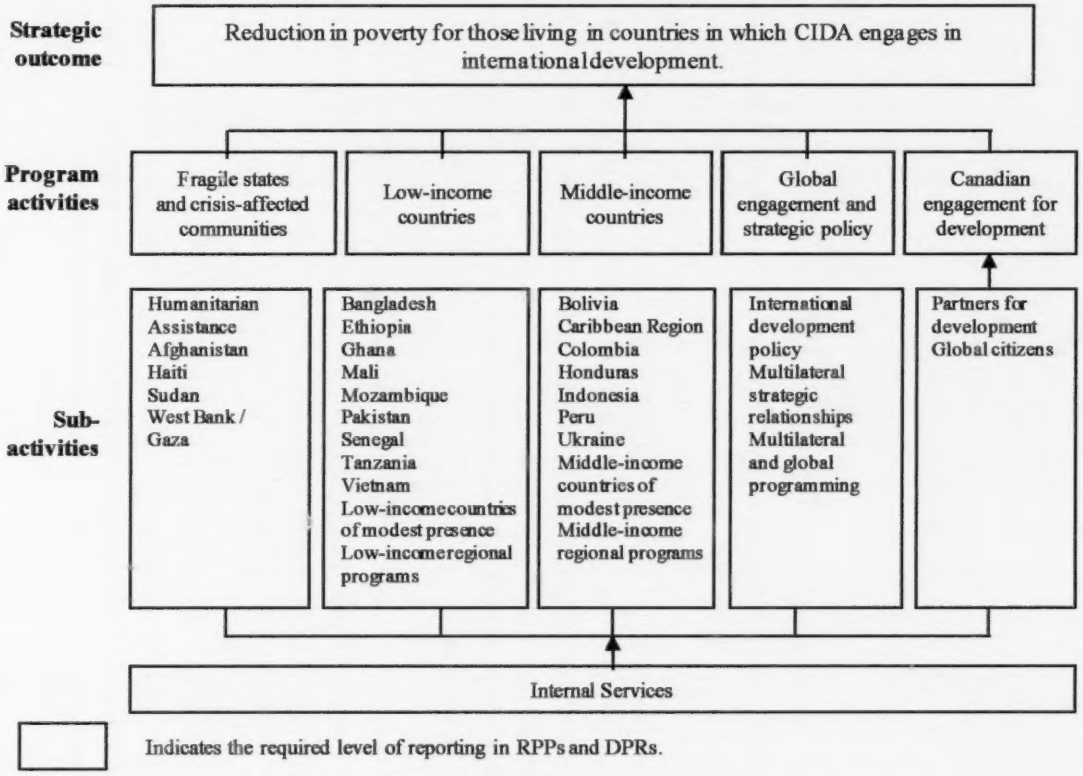
Canada recognizes that achieving significant economic, social and democratic progress in the developing world will increase the prosperity and long-term security of Canadians, promote our values, reduce poverty for billions of people in recipient countries, and contribute to a better and safer world.

Responsibilities

CIDA is the lead government organization responsible for Canada's development assistance program and policy. Orders-in-Council P.C. 1968–923 of May 8, 1968, and P.C. 1968–1760 of September 12, 1968, designate CIDA as a department for the purposes of the *Financial Administration Act*. The authority for the CIDA program and related purposes is found in the *Department of Foreign Affairs and International Trade Act,*[1] and in annual appropriation acts.

[1] To read the statute, visit http://laws.justice.gc.ca/en/E-22/FullText.html.

Strategic Outcome and Program Activity Architecture



The *Official Development Assistance Accountability Act*,[2] which came into force on June 28, 2008, states that expenditures reported to Parliament as official development assistance must contribute to poverty reduction, take into account the perspectives of the poor, and be consistent with international human rights standards. CIDA's strategic outcome is in line with the intent of the Act.

[2] To read the statute, visit http://laws.justice.gc.ca/en/O-2.8/FullText.html.

Organizational Priorities

Poverty reduction efforts in developing countries must overcome a complex set of challenges such as weak, underdeveloped and often instable economies; weak institutions and lack of governance; hunger, poor health and low literacy level; disparities and marginalization, particularly of women and girls. These challenges can be made even more difficult by conflict and environmental degradation.

In May 2009, Canada introduced five thematic priorities to frame its international assistance efforts: increasing food security, securing a future for children and youth, stimulating sustainable economic growth, advancing democracy, and ensuring security and stability. CIDA concentrates its attention on the first three priorities[3], which apply across all program activities and integrate environmental sustainability, gender equality, and governance. To achieve development results, CIDA collaborates with a full range of Canadian and international partners, including private, government, non-governmental, and multilateral organizations.

Effectiveness and accountability for results are the hallmark of CIDA's agenda. Canada has taken concrete steps to strengthen accountability for results by all stakeholders at the country and sector level. For example, Canada led international efforts at the G8 through the Muskoka Initiative on Maternal, Newborn and Child Health and as part of the United Nations Commission on Information and Accountability for Women's and Children's Health to set a new global standard for ensuring country ownership and accountability for results in development. CIDA is also increasing transparency and accountability through open data on its website to offer quick access to already published information. In November 2011, at the Fourth High Level Forum on Aid Effectiveness, Canada endorsed the Busan Partnership for Effective Development Cooperation[4]. This partnership is premised on the principles of country ownership, focus on results, inclusive partnerships, and transparency and accountability. These principles permeate all of our poverty reduction efforts.

[3] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-1015144121-PWW

[4] http://www.aideffectiveness.org/busanhlf4/en/topics/busan-partnership.html

Priority	Type[5]	Strategic Outcome
Increasing food security	Previous commitment	Reduction in poverty for those living in countries in which CIDA engages in international development

Description

Why is this a priority?
Ensuring access to safe and nutritious food is one of the most effective ways to reduce poverty in developing countries.

Plans for meeting the priority
CIDA's Food Security Strategy focuses on hunger and malnutrition for some of the world's most vulnerable people. The strategy focuses on three paths:

- **sustainable agricultural development** to build the capacity of small-scale farmers, agriculture-related organizations, and governments and to support national and regional agricultural and food security strategies;
- **food aid and nutrition** to provide more flexible, predictable, and needs-based funding to meet the emergency and long-term food and nutrition needs of the most vulnerable and higher-risk populations; and
- **research and development** to broaden and deepen publicly available research that makes significant improvements to food security outcomes.

This approach, combined with Canada's 2008 decision to untie 100 percent of its food aid, is helping to address immediate food needs and find solutions for lasting food security so people can escape the cycle of poverty.

More specifically within the Strategy, over the planning period, CIDA will:

- support smallholder agriculture, especially through the empowerment of women farmers, to enable developing countries to shift from emergency food assistance to environmentally sustainable agricultural development;

[5] Type is defined as follows: **previous commitment** —committed to in the first or second fiscal year prior to the subject year of the report; **ongoing**—committed to in at least three fiscal years prior to the subject year of the report; and **new**—newly committed to in the reporting year of the RPP or DPR.

- reduce under-nutrition through support for nutrition programs and the Scaling Up Nutrition movement; and
- improve the coordination and dissemination of agricultural research to help address the food security needs of vulnerable populations, in particular, women.

Priority	Type	Strategic Outcome
Securing a future for children and youth	Previous commitment	Reduction in poverty for those living in countries in which CIDA engages in international development

Description

Why is this a priority?

The issues faced by children and youth are core to the development agenda and to poverty reduction. Each of the Millennium Development Goals[6] has an impact on children and youth, either directly or indirectly, and many include specific outcome indicators for these groups.

Plans for meeting the priority

By launching the Children and Youth Strategy in November 2009, CIDA placed the prospects and well-being of children and youth at the centre of Canada's international efforts to improve human development outcomes. The strategy focuses on three paths:

- **child survival, including maternal health** to ensure the survival of newborns and that of children to the age of five and a safe delivery for pregnant girls and women through strengthening national health systems to provide quality services;
- **access to quality education** to improve the quality and relevance of education for girls, boys, and youth, as a basis for poverty reduction, social development, and economic growth; and
- **safety and security of children and youth** to support efforts to ensure safe and secure environments for children and youth so that they can contribute to society.

Over the planning period, to implement these paths, CIDA will:

- continue to implement the 2010 G8 Muskoka Initiative for Maternal, Newborn and Child

[6] Further information on the Millennium Development Goals is available at http://www.undp.org/mdg/basics.shtml.

Health (MNCH) including supporting country-led efforts to strengthen health systems to deliver integrated MNCH services at the local level;
- advance access to basic education, promote girls' education, and build national education systems, including in fragile states; and
- work with partners to ensure the safety and security of children and youth by improving the livelihoods of street youth, establishing laws that protect children, and offering youth-at-risk positive alternatives to violence and crime.

Priority	Type	Strategic Outcome
Stimulating sustainable economic growth	Previous commitment	Reduction in poverty for those living in countries in which CIDA engages in international development

Description

Why is this a priority?
Sustainable economic growth creates employment and economic opportunity, raises incomes, increases public revenue generation, and reduces poverty in developing countries.

Plans for meeting the priority
CIDA's Sustainable Economic Growth Strategy focuses on stimulating lasting, inclusive and sustainable private sector-led economic growth. The strategy follows three paths:

- **building economic foundations** to support willing governments to build the necessary legislative and regulatory business, industrial, and financial framework upon which sustainable growth can take place;
- **growing businesses** to enhance the financial viability, productivity, and competitiveness of micro, small and medium-sized private sector enterprises, resulting in increasing employment opportunities for the poor; and
- **investing in people** to improve the employment potential of individuals to increase access to, and benefits from, opportunities in the informal and formal business sectors.

Over the next fiscal year, to implement these paths, CIDA will:

- lead the development of the Canadian International Institute for Extractive Industries and Development to foster the sustainable use and management of natural resources in

developing countries. The Institute will act as a focal point for Canadian expertise in the extractive sector and resource governance and build on and leverage world-class knowledge, innovation and experience;

- place particular emphasis on empowering women to contribute to, and benefit from, economic growth by targeting initiatives that increase women's economic opportunities, strengthen their economic leadership, and advance the rights of women worldwide;
- strengthen its engagement with private sector actors as partners in development and ensure sound environmental management to enable long-term economic viability;
- establish sound macroeconomic and fiscal fundamentals to promote stability, reduce corruption, strengthen domestic resource mobilization and encourage investment and innovation;
- strengthen business and investment climates by, for example, helping build the legal and financial frameworks of partner countries that enable a competitive business environment and enhance access to economic opportunities; improving trade facilitation, economic integration and infrastructure; encouraging responsible investment in extractive sectors; and fostering better and more sustainable economic planning; and
- deepen value chain development and strengthen business development services, especially for micro, small, and medium-sized enterprises (MSMEs) in both the informal and formal sectors.

Priority	Type	Strategic Outcome
Achieving management and program-delivery efficiency	Previous commitment	Reduction in poverty for those living in countries in which CIDA engages in international development

Description

Why is this a priority?

Operational excellence and efficiency are critical for the successful delivery of CIDA's mandate. Positioning a critical mass of CIDA's workforce closer to program delivery will result in better harmonized, aligned, and coordinated investment strategies and decisions, increase opportunities to leverage resources with other development stakeholders, and strengthen accountability. It will also ensure that necessary skills are placed in the field and in headquarters. Simplifying processes will result in increased responsiveness and transparency of aid delivery. Efficiency in management and program delivery will serve to maximize and

sustain programming results.

Plans for meeting the priority

CIDA will carry out a series of activities to meet this priority within the context of the Agency's Business Modernization Initiative (BMI). BMI will continue to transform the way the Agency delivers programs by, for example, decentralizing 4 country programs in 2012–2013 (Peru, Tanzania, Mozambique and Ethiopia), and streamlining and standardizing program-delivery processes. CIDA will support excellence in people management and strive to be a workplace where people feel respected and valued.

Risk Analysis

Achieving CIDA's strategic outcome requires responding to a complex set of external and internal factors. Events in Canada and across the globe—whether political, economic, social or environmental—can evolve rapidly and significantly impact the effectiveness of CIDA's programs and policies, as well as the confidence of stakeholders. CIDA regularly assesses trends and potential risks related to its external and internal management environments in order to effectively adapt to evolving international development challenges and changing priorities and manage risk on a proactive basis.

Major trends

- Projected economic growth in developing countries remains strong,[7] but economic and political factors have the potential to disrupt this growth and in some developed donor countries Official Development Assistance levels have been reduced. Risks include continued vulnerability to the effects of ongoing global financial and economic challenges. The greatest challenges to growth over the long term include the significant underinvestment in public goods, the lack of economic diversification, and a weak policy environment that restrains private initiative and investment.
- The proportion of people who are food insecure is declining (from one third in the 1960s to one sixth in 2011), but the actual number of undernourished people has not decreased, remaining at about 1 billion people worldwide.
- The lack of effective governance is cause for instability in many countries, especially in fragile states and conflict-affected communities. Increased internal violence, state fragility,

[7] World Bank, *Global Economic Prospects* - Volume 4, January 2012.

and corruption continue to be particularly critical obstacles to sustainable development in such contexts.

- The annual average number of natural catastrophes has increased over the last decade from 630 to 790, disproportionately affecting developing countries. Environmental degradation and natural disasters will continue to hinder development in the poorest and most vulnerable regions of the world.

Key risks

- Among external risks, the volatility inherent to fragile and conflict situations makes it challenging to establish realistic result expectations and exercise due diligence in monitoring of effective implementation.
- Among internal risks, human resources decisions must be planned and implemented in such a way as to ensure that CIDA continues to benefit from a qualified and motivated workforce required to deliver on its mandate.

Risk response

Risk is inevitable in international development. There is a risk that progress will be lost because of natural or man-made crises or that resources are misused because of weak governance and accountability. These risks must be assessed and managed, and they must be balanced against the risk of doing nothing at all.

CIDA's success depends on its ability to lay out clear, achievable, and measurable results; understand the risks involved; and put measures in place to monitor and manage risks. These steps will maximize the achievement of sustainable results.

FIGHTING CORRUPTION

Corruption can occur in any country; however, the risk is greater in developing countries where partners and institutions often have weak capacity.

CIDA has zero tolerance for fraud and corruption. To ensure that aid dollars go to the right people for the right reasons, CIDA has a robust set of controls to prevent the mismanagement of funds. CIDA only invests funds where it can provide reasonable assurance to Parliament that it can assess, monitor and manage risk during project implementation, so that CIDA's funding is used for its intended purposes.

CIDA also works with developing countries to build good governance and to help them build their own systems to manage public finances in an open and accountable way.

The Agency's thematic priorities set out a clear direction for CIDA programming. In 2010, CIDA published strategies mapping out the concrete results to which Canada's aid will

contribute in every country in which CIDA works, and through key international institutions and initiatives it funds.

Based on these strategies, CIDA has developed frameworks against which it monitors progress and manages the delivery of results.

For all investment decisions, the Agency performs a thorough analysis of risks—including fiduciary concerns, natural disasters, security, and partner capacity risks—and identifies mitigation strategies.

Ultimately, managing risk pro-actively increases the effectiveness of CIDA's efforts to achieve real development results.

Planning Summary

Financial Resources (in thousands of dollars)

2012–2013	2013–2014	2014–2015
3,582,471	3,264,272	3,268,706

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
1,803	1,803	1,803

Planning Summary Table

(thousands of dollars)

Program Activity	Forecast Spending 2011–2012	Planned Spending			Alignment to Government of Canada Outcomes
		2012–2013	2013–2014	2014–2015	
Fragile states and crisis-affected communities	755, 439	697,063	565,550	565,966	Global poverty reduction through sustainable development
Low-income countries	954,171	937,770	946,940	947,340	
Middle-income countries	362,593	360,832	356,737	357,281	
Global engagement and strategic policy	1,375,694	1,168,592	1,001,750	1,006,187	
Canadian engagement for development	309,729	317,996	293,065	291,702	
Total	3,757,626	3,482,253	3,164,042	3,168,476	

Program Activity	Forecast Spending 2011–2012	Planned Spending		
		2012–2013	2013–2014	2014–2015
Internal services	113,743	100,218	100,230	100,230
Total	113,743	100,218	100,230	100,230

Grand total	3,861,369	3,582,471	3,264,272	3,268,706

CIDA's Contribution to the Federal Sustainable Development Strategy

The Federal Sustainable Development Strategy (FSDS) outlines the Government of Canada's commitment to improving the transparency of environmental decision-making by articulating its key strategic environmental goals and targets. CIDA ensures that consideration of these outcomes is an integral part of its decision-making processes. In particular, through the federal Strategic Environmental Assessment (SEA) process, any new policy, plan, or program initiative includes an analysis of its impact on attaining the FSDS goals and targets. The results of SEAs are made public when an initiative is announced, demonstrating the Agency's commitment to achieving the FSDS goals and targets.

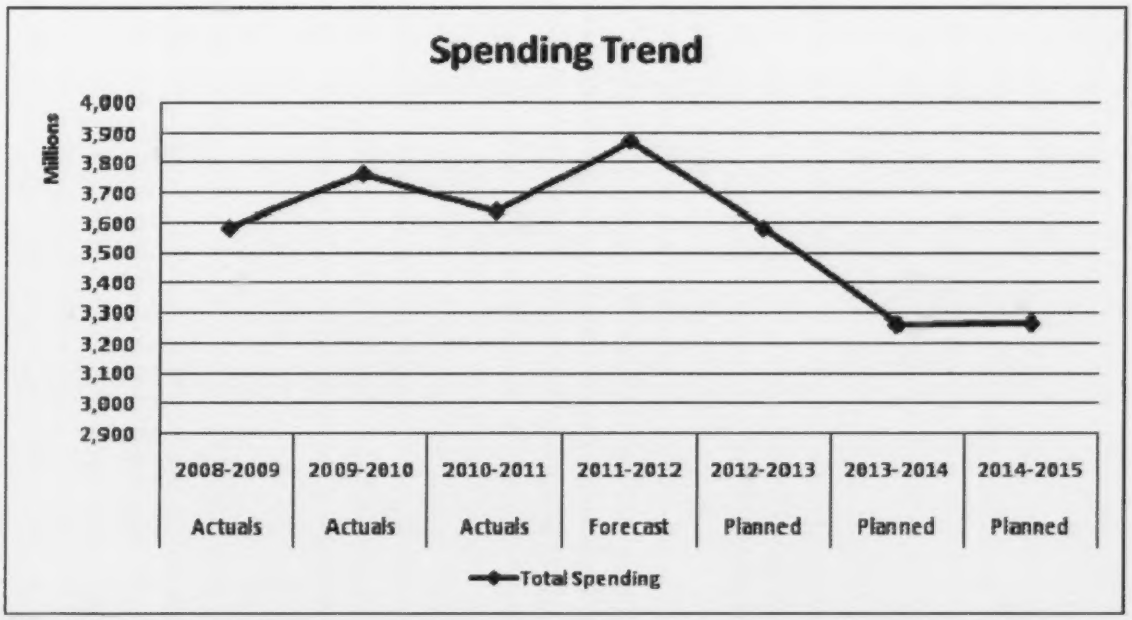
CIDA contributes to Theme IV – Shrinking the Environmental Footprint – Beginning with Government as denoted by the visual identifier below. This contribution falls under the Internal Services program activity outlined in Section 2.6 of this report.

For additional details on CIDA's activities to support sustainable development, please visit http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-92610332-K3P. For complete details on the Federal Sustainable Development Strategy, please see http://www.ec.gc.ca/dd-sd/.

Expenditure Profile

The following graph illustrates CIDA's funding level trend from 2008–2009 to 2014–2015.

Departmental Spending Trend



For the period of 2008–2009 to 2010–2011, actual spending represents the actual expenditures as reported in the Public Accounts, whereas for the 2011–2012 fiscal year, the forecast spending represents the planned budgetary and statutory expenditures as presented in the Estimates documents (Main Estimates and Supplementary Estimates). For the period of 2012–2013 to 2014–2015, the planned spending reflects approved funding by Treasury Board to support the departmental strategic outcomes. Supplementary Estimates (A) items are also included for 2012–2013, however carry forward adjustments are not reflected.

Annual fluctuations in spending is largely accounted for by Canada's response to humanitarian crises. In 2008–2009, CIDA responded to requests of assistance following numerous natural disasters such as the Cyclone Nargis in Burma, the earthquake in China, and the Atlantic hurricane season; whereas, in 2009–2010, the Agency responded to the crisis following the earthquake in Haiti as well as humanitarian needs in Pakistan and Sri Lanka.

Another important factor in annual fluctuation is the timing of the encashment of notes to support International Financial Institutions (IFIs).

A third factor in annual fluctuations is the relative strength of the Canadian dollar (CIDA commits funds to IFIs in US currency). CIDA's spending level is lower in 2010–2011 due to the relative strength of the Canadian dollar at year-end, which is the time at which Canada makes its payments to IFIs.

The forecast spending increase in 2011–2012 includes $345 million (and $171 million only in 2012–2013) for Canada's commitment to the Copenhagen Accord (United Nations Framework Convention on Climate Change) and an additional $47 million for humanitarian assistance in response to the ongoing drought in East Africa.

CIDA's planned spending levels are further reduced in 2013–2014 and 2014–2015 as ongoing authorities for the Crisis Pool quick release mechanism ($50 million) and Food Aid Commitment ($70 million) are not reflected in CIDA's spending levels starting in 2013–2014.

Estimates by Vote

For information on our organizational appropriations, please see the 2012–2013 Main Estimates publication.

Section II: Analysis of Program Activities by Strategic Outcome

Strategic Outcome

Reduction in poverty for those living in countries in which CIDA engages in international development.

Program Activity: Fragile states and crisis-affected communities

Program Activity Description

Fragile states and crisis-affected communities face particularly severe development challenges exacerbated by conflict, instability, man-made crises or natural disasters within complex national and regional contexts. They have weak institutional capacity, poor governance, political instability, and ongoing violence or a legacy of past conflict. Canada's engagement is often whole-of-government and subject to closely monitored and visible government strategies. This program activity features programming that is both short term to ensure delivery of, and access to, essential humanitarian services to crisis-affected populations in order to reduce immediate vulnerabilities of the population; and medium to long term to create conditions for sustainable economic growth and building the foundation for effective governance and delivery of basic services. It requires working with partners that have expertise and the capacity to deliver in high-risk environments.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
697,063	565,550	565,966

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
151	151	151

Program Activity Expected Results	Performance Indicators
Increased access to essential health services and education by vulnerable female and male children and youth in crisis-affected	Percentage of children under five receiving appropriate and timely treatment for malaria and other major diseases

communities	Percentage of vulnerable or crisis-affected girls and boys enrolled in school
Increased access to income opportunities, including jobs and development of micro and small enterprises, particularly for vulnerable and marginalized women, men, and youth	Percentage of economically-active women, men, and youth
Enhanced responsiveness of humanitarian assistance to address the immediate needs of crisis-affected populations	Percentage of Consolidated Appeals funding requirements that are met

Planning Highlights

CIDA's engagement in Haiti, Afghanistan, Sudan, and West Bank and Gaza[8] is closely aligned with Canadian foreign policy objectives. Its engagement is part of a whole-of-government approach in these countries in support of regional and global security and stability. In addition, Canada provides humanitarian assistance in response to natural disasters and conflict situations as seen in recent responses to the drought in the Horn of Africa and the violence following the election in Côte d'Ivoire.

Key highlights in 2012–2013 for this program activity include the revision of CIDA's five-year programming strategy for Haiti to reflect a whole-of-government approach that builds on lessons learned, results achieved, and the priorities of the new Haitian Government. While CIDA's engagement over the past two years has focused on meeting immediate needs, it will now shift to a longer-term development approach. Improving coordination with other donors and addressing resilience to disasters will be an integral part of this work.

In addition, the Agency will continue to engage in Afghanistan beyond 2011, building on our experience and investments to date. In this new phase, CIDA will invest in the future of women, children, and youth through programming in education and health, the promotion of human rights, and support for the delivery of humanitarian assistance.

[8] More information on CIDA's countries of focus can be found at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP.

To achieve its expected results under this program activity, CIDA will engage in a range of specific activities, including:

- Establish 24-hour comprehensive emergency obstetrical and neonatal care hospitals, and provide access to medical services and products to displaced people living in camps.
- Establish community-based accelerated learning centres, and provide access to literacy courses and learning opportunities to out-of-school children, especially girls.
- Support training for essential, demand-driven skills needed for formal labour market participation, such as literacy and numeracy, especially for women.
- Support the development and growth of micro, small, and medium enterprises based on realistic market potential by, for example, establishing business development services to help small-scale entrepreneurs set up and expand their businesses.
- Assist those affected by conflict situations and natural disasters by providing appropriate, timely, and effective humanitarian responses on the basis of identified needs and in line with the Principles and Good Practice of Humanitarian Donorship.

Program Activity: Low-income countries

Program Activity Description

Countries within the World Bank low-income category face pervasive poverty and limited institutional capacity, but have broadly stable governance and public security. These countries generally have a high level of aid dependency, limited resilience to respond to a number of vulnerabilities and external shocks, and limited ability to attend to the human development needs of their populations. Programming under this program activity features long-term engagement on country priorities, primarily to: strengthen education and health outcomes for children and youth; address the root causes of food insecurity; foster inclusive and sustainable economic growth; and build the foundations for effective governance to ensure country institutions can sustain the benefits of development programs. CIDA works with other donors, civil society organizations and ministries of recipient governments. Engagement is anchored in the partner government's development strategy and program, around which donors coordinate and harmonize their efforts. This may involve the pooling of funds or other forms of program-based approaches.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
937,770	946,940	947,340

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
374	374	374

Program Activity Expected Results	Performance Indicators
Increased sustainable agricultural production by rural poor women, men, and youth	Annual production of agricultural goods in targeted regions of CIDA interventions
	Rate of adoption by farmers (m\f) of new farming techniques and new crop varieties in targeted regions of CIDA interventions
Increased health services to mothers, newborns, and children under five	Percentage of live births attended by an accredited health professional
Increased accountability of public and civil institutions to respond to the needs of women, men, and children	Average program rating (on a five-point scale) of progress of CIDA low-income countries of focus toward achieving this result

Planning Highlights

This program activity includes nine of CIDA's countries of focus (Bangladesh, Ethiopia, Ghana, Mali, Mozambique, Pakistan, Senegal, Tanzania, Vietnam)[9], as well as regional programs and other countries where CIDA maintains a modest presence.

A prominent highlight of planned activities under this program activity in 2012–2013 will be the continued implementation of Canada's commitment to Maternal, Newborn and Child Health (MNCH). Programming in Bangladesh, Ethiopia, Mali, Mozambique and Tanzania will focus on targeted efforts to improve the health of mothers, newborns and children and reduce the number of deaths that can be prevented by proven cost-effective evidence-based interventions. A full description of MNCH-related programming can be found on CIDA's website[10].

In 2012–2013, CIDA will engage in a range of specific activities focused on delivering the expected results of this program activity. These include:

- Improve access to farming supplies, increase control over the resources of agricultural production by the population (particularly women) and connect smallholder farmers to markets in order to increase incomes.
- Support agricultural research institutions in the development and dissemination of new plant varieties and new farming technologies that will be applied by farmers to increase yields and incomes and improve nutrition.
- Expand local private sector development, including smallholder farmers and micro, small, and medium-sized enterprises, and the development of their workforce by creating jobs and increasing incomes.
- Support health services that contribute to the reduction of illness and disease, increased access to needed vaccinations and medical services for children and youth.
- Address the leading diseases and illnesses that are claiming the lives of mothers, newborns and children.
- Provide capacity-building and technical assistance in support of CIDA's priority sectors in partner countries, including to advance democracy and support political participation.

[9] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP

[10] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-127113657-MH7

Program Activity: Middle-income countries

Program Activity Description

Countries within the World Bank middle-income category face specific challenges in inclusive, sustainable economic growth and development. These countries exhibit a stronger economic and social foundation and a lower reliance on aid than low-income countries, but may still have a large proportion of their population facing inequality and poverty. These countries often have stark disparities along geographic, gender, ethnic, or urban-rural lines, as well as pockets of deep poverty. This is in large part due to low productivity and competitiveness, and weak political accountability that does not address discrimination and marginalization. Main areas of programming under this program activity focus on delivering targeted technical assistance to foster equal access to economic opportunities and to public services to create the conditions for more competitive and inclusive local economies; to expand service delivery to reach marginalized groups; and, to build accountable democratic institutions. It requires working in partnership with government, civil society, and the private sector to build capacity including knowledge and systems.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
360,832	356,737	357,281

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
154	154	154

Program Activity Expected Results	Performance Indicators
More competitive local economies, especially for micro, small, medium, and women-led enterprises in poorer areas	Level of integration of micro, small, and medium-sized enterprises in local and regional markets per country
Increased access to quality education for marginalized female and male children and youth, in particular those living in remote communities	Total net enrolment ratio in primary education, both sexes

Strengthened citizen participation to sustain social and economic progress	Average program rating (on a five-point scale) of progress of CIDA middle-income countries of focus toward achieving this result

Planning Highlights

This program activity covers seven countries of focus (Bolivia, Colombia, Honduras, Indonesia, Peru, and Ukraine, and the Caribbean Regional Program)[11], as well as regional programs and other countries where CIDA maintains a modest presence.

CIDA's Sustainable Economic Growth thematic priority is a prominent feature of the Agency's efforts under this program activity. Aligning with Canada's Americas Strategy, CIDA will help partner countries in the Americas to deliver market-driven technical and vocational education and training; promote private sector development; and enhance the ability of marginalized women, men, and youth to benefit from economic growth.

In 2012–2013, CIDA will engage in a range of specific activities focused on delivering the expected results of this program activity. These include:

- Provide training and business-development support services to women-led small and medium enterprises, and engage in the areas of agriculture, enterprise development, savings and credit, and development of social, political, and/or economic structures of communities, in order to achieve more competitive local economies.
- Support partner-country governments to formulate and implement frameworks that encourage competitiveness and sustainable economic growth, especially for micro, small, and medium-sized enterprises.
- Improve the capacity to deliver education services, by providing training and support to government and non-governmental actors in the area of education.
- Provide access to microfinance systems, quality basic education for girls and marginalized children, and vocational and entrepreneurial skills for youth and women, in order to ensure that these citizen groups are all able to contribute to, and benefit from, the development of their societies.
- Improve the protection and security of vulnerable populations, as well as their access to justice, especially for children and youth, through the training of government and non-state actors in children and youth rights to assist in the development and delivery of gender-sensitive programs and policies that meet the needs of vulnerable populations.

[11] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP

Program Activity: Global engagement and strategic policy

Program Activity Description

Achieving international development outcomes requires engagement on the global stage and investments through international partners, as appropriate. Multilateral / international organizations and global initiatives tackle global problems (e.g. infectious diseases, climate change); provide a governance mechanism in areas such as humanitarian assistance or to set the development agenda (e.g. Millennium Development Goals); and provide economies of scale and of scope, as well as significant expertise and capacity on the ground. Activities under this program activity aim at delivering concrete results on the ground by: shaping and investing in multilateral and international institutions partners' policies and programs throughout the world; and, exerting policy influence to shape international development policy in Canada and globally, in order to advance Canada's humanitarian and development assistance objectives, through the fostering of effective partnerships and policy dialogue.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
1,168,592	1,001,750	1,006,187

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
204	204	204

Program Activity Expected Results	Performance Indicators
Increased effectiveness of Canadian development cooperation through engagement with, and investment in, multilateral and global organizations to address humanitarian and development challenges	Progress in global food security, health, education, and employment rates in developing countries
	Evidence of Canadian influence (e.g., G8 summits, OECD-DAC, the media) in shaping the international development agenda
Increased ability to advance Canada's development priorities in Canada and globally	Coherence between aid and non-aid policies (e.g., foreign, defence, environment and immigration)

Planning Highlights

CIDA's engagement with multilateral and international organizations enables Canada to contribute to global efforts to reduce poverty. These institutions provide us with a channel to contribute to Canada's development and humanitarian efforts on the ground, and also allow us to build consensus around specific policy objectives of international importance, such as global financial stability or addressing maternal, newborn and child health. In addition to being an effective way for Canada to advance its international assistance priorities and to deliver aid and humanitarian assistance, multilateral engagement also allows Canada to pool resources with other member states, to leverage sector and country expertise, and achieve a greater reach through collective poverty reduction and humanitarian assistance efforts.

To increase the effectiveness of CIDA's multilateral programming and to guide its work with key multilateral partners, CIDA will continue to implement its Multilateral Effectiveness Strategy and accompanying institutional strategies, which were developed in 2010. Significant efforts under this program activity in 2012–2013 will include advocating for multilateral partners to: deliver and report on their results, support the priorities of developing country partners and make use of country systems, focus on their areas of comparative advantage, and coordinate and collaborate with other relevant partners at the country level and at the international level.

In 2012–2013, CIDA will continue to advance the principles of aid effectiveness, with particular consideration of the commitments Canada made on results, transparency, the private sector, fragile states and effective institutions at the Fourth High Level Forum on Aid Effectiveness in 2011 in Busan, Korea. CIDA's engagement with donors and other partners is key to enhancing its own aid effectiveness and advancing Canada's development agenda. To increase its ability to advance Canada's development priorities in Canada and globally, CIDA will actively engage in shaping the mandate and architecture of the new Global Partnership for Effective Development Cooperation, which is in its initial development stage.

Throughout 2012–2013, in order to increase the effectiveness of Canadian development cooperation and advance Canada's development priorities, CIDA will:

- Accelerate efforts through the Scaling Up Nutrition movement to combat global undernutrition, which accounts for 2.6 million preventable child deaths every year. In addition, target the reduction of child mortality through Canada's Muskoka Initiative for Maternal, Newborn and Child Health by addressing the main causes of undernutrition and focusing on the prevention and treatment of the main killers of children under the age of five.

- Support climate change initiatives that contribute to Canada's Fast-Start financing commitments[12] under the Copenhagen Accord by focusing on adaptation by the poorest and most vulnerable, clean energy, forests, and agriculture.
- Respond, as appropriate, to the recommendations of the OECD-DAC Peer Review of Canada's development policies and programs, which will be formally issued in June 2012.
- Consolidate relationships with other donors to identify opportunities for joint initiatives and increased donor coordination and accountability. For example, CIDA will continue to actively participate in various international fora such as the G8 and G20 and will advance an MOU with the Republic of Korea.
- Engage emerging donors in policy dialogue and, where relevant, development programming that support Canada's development priorities.

[12] http://www.climatechange.gc.ca/default.asp?lang=En&n=5497F282-1

Program Activity: Canadian engagement for development

Program Activity Description

CIDA achieves development results by focusing on purpose-driven, cost-effective initiatives that further the sustainability of Canada's efforts by drawing on the expertise, networks, and opportunities available to Canadian organizations; and broadening the engagement of Canadians in international development by supporting outreach and education activities. Programming under this program activity involves co-investment in the most meritorious development proposals that align with Canada's development priorities. Through calls for proposals, CIDA is able to draw upon the Canadian organizations such as civil society organizations, academic institutions, and professional associations that are best suited to help deliver on Canada's development objectives. Canadian organizations in turn work with partner country counterparts to deliver development results on the ground.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
317,996	293,065	291,702

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
131	131	131

Program Activity Expected Results	Performance Indicators
Improved health and education services for marginalized women, men, girls, and boys	Ratings (on a five-point scale) of 15-20 representative initiatives of how Canadian partners have helped to transform basic service delivery in underserved communities
Enhanced income opportunities, including rural livelihoods for poor women, men, and youth	Ratings (on a five-point scale) of 20 representative initiatives of how Canadian partners have contributed to increased income opportunities and livelihoods for poor women, men, youth in rural and urban areas

Increased engagement of Canadians as global citizens in international development initiatives	Ratings (on a five-point scale) of at least 5 participants for each of 10 representative partners' initiatives regarding the value of their participation for increasing their engagement and knowledge of international development

Planning Highlights

CIDA has implemented a new approach to engage Canadians and Canadian organizations in international development aid to improve the lives of those living in poverty in developing countries, through the Partners for Development Program and the Global Citizens Program. To enhance program effectiveness, CIDA's partnership programming is implementing initiatives through calls for proposals, aligning at least 80 percent of new investments to CIDA's three thematic priorities, and concentrating at least half of new funding on its 20 countries of focus.

A key highlight of CIDA's work under this program activity in 2012–2013 will be to build on lessons learned so far from implementing the Agency's new approach to engage Canadians and Canadian organizations. Commitments to fulfill this program activity's expected results include the following in 2012–2013:

- Engage Canadian partners to strengthen local health systems, reduce diseases and illnesses as well as enhance nutrition, with the purpose of improving maternal, newborn, and child health.
- Support projects that will substantially improve and increase food security and/or economic growth, and build resiliency in Africa, by reducing the impacts of climate change through adaptation.
- Provide support to applied research that contributes to improved food security policies that benefit food-insecure developing countries.
- Support democratic development by conducting multilateral election observation programs that assist developing countries in holding elections in accordance with international standards.

Program Activity: Internal services

Program Activity Description

This program activity provides support services to CIDA programming for the delivery of the Canadian aid program. It includes governance and management support, resources-management services, and asset-management services.

Financial Resources (thousands of dollars)

2012–2013	2013–2014	2014–2015
100,218	100,230	100,230

Human Resources (full-time equivalent—FTE)

2012–2013	2013–2014	2014–2015
789	789	789

Planning Highlights

The Agency's Business Modernization Initiative (BMI) remains a priority over the planning period to further strengthen the efficiency and effectiveness of CIDA's development programs. It includes continuing to decentralize more functions to the field, re-engineering business processes, and operationalizing these processes in a sustainable manner. In addition, the Agency has enhanced its governance structure and Human Resources framework in order to ensure that all decisions are guided by strong people values.

CIDA is committed to the following specific activities in 2012–2013 to support the effective delivery of the Canadian aid program:

- Fully implement integrated business planning to strengthen the foundation for effective and efficient use of scarce resources.
- Decentralize the Ethiopia, Mozambique, Peru, and Tanzania programs.
- Pilot the Regional Service Centre in Kenya and the virtual Regional Service Centre in Peru that will provide corporate and specialist services to the nine country programs in Southern and Eastern Africa and three countries in the Americas.
- Launch a common Agency Programming Process to standardize and streamline end-to-end aid programming.
- Develop a workforce strategy to support business modernization.
- Strive to be a workplace where people feel respected and valued.

Finally, achieving management excellence includes the greening of operations. CIDA is a participant in the FSDS and contributes to the following target areas of Greening Government Operations (Theme IV of the FSDS): surplus electronic and electrical equipment, printing units, paper consumption, green meetings, and green procurement. For additional details on CIDA's Greening Government Operations activities, please see the departmental Greening Government Operations supplementary table at http://www.tbs-sct.gc.ca/rpp/2012-2013/info/info-eng.asp.

Section III: Supplementary Information

Financial Highlights

The financial highlights presented below offer an overview of CIDA's future-oriented financial statements.

CIDA's 2012–2013 planned expenses are relatively the same as those forecast for 2011–2012.

Future-oriented
Condensed statement of operations
For the year (ended March 31)
(in thousands of dollars)

	$ Change	Future-oriented 2012–2013	Future-oriented 2011–2012
Total expenses	31,486	3,942,791	3,911,305
Total revenues	10,301	38,912	28,611
Net cost of operations	21,185	3,903,879	3,882,694

Condensed statement of financial position
For the year (ended March 31)
(in thousands of dollars)

	$ Change	Future-oriented 2012–2013	Future-oriented 2011–2012
Total assets	-289,715	965,756	1,255,471
Total liabilities	-65,616	810,409	876,025
Equity	-224,099	155,347	379,446
Total	-289,715	965,756	1,255,471

Future-Oriented Financial Statements

Complete future-oriented financial statements are available on CIDA's website at www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/CAR-326103431-K4M.

List of Supplementary Information Tables

All electronic supplementary information tables can be found on the Treasury Board of Canada Secretariat website.

- details on transfer payment programs
- details on other types of transfer payment programs
- greening government operations
- sources of non-respendable revenue
- upcoming internal audits
- upcoming evaluations
- user fees

Section IV: Other Items of Interest

Organizational Contact Information

For additional information about CIDA programs, activities, and operations, please visit the Agency's website at www.acdi-cida.gc.ca or contact:

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